

OFFICE OF: ADMINISTRATIVE SERVICES DEPARTMENT

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March 7, 2018

Municipal Securities Rulemaking Board 1900 Duke Street Suite 600 Alexandria, VA 22314

Fiscal Agent:

Christopher Davy
The Bank of New York Mellon Trust Company, N.A.
400 S. Hope Street, Ste. 400
Los Angeles, CA 90071

Dissemination Agent:

City of Corona 400 South Vicentia Avenue Corona, CA 92882

Subject: Secondary Market Disclosure

City of Corona

\$7,195,000 Community Facilities District No. 86-2

Special Tax Refunding Bond 2014 Series A

Attached is the Annual Report as required per Section 5.16 of the Fiscal Agent Agreement dated June 1, 2014 in connection with the issuance of the above referenced bonds.

The Annual Report is comprised of the following information, as of June 30, 2017:

- A. Audited financial statements Comprehensive Annual Financial Report
- B. Financial and operating data

a) Principal amount of bonds outstanding \$ 2,985,000 (as of January 1, 2018)

b) Balances in the Funds established under the Agreement:

(as of January 1, 2018)

Reserve Fund	\$ 1,166,486
Special Tax Fund	117,769
Principal Fund	252
Interest Fund	10
Bond Fund	6,157

- c) Tables 2, 3, 6, 8 and 9 set forth in the 1999 Official Statement Attached
- d) Changes to the Rates and Method of Apportionment of the Special Tax none
- e) Status of foreclosure actions for delinquent Special Taxes none
- f) Identification of delinquent property owner which represents more than 5% of amount levied none
- g) Any additional information provided to CDIAC, not Original Purchaser none
- C. Significant Event none

If you have questions related to this Annual Report of the City of Corona, please contact me.

Sincerely,

— Docusigned by: Patricia Song

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Patricia Song

Finance Manager

Finance@CoronaCA.gov

Table 2 2017/2018 Special Tax Levy by Rate and Method Category

Community Facilities District No. 86-2 City of Corona

Dwelling	Number of	Maximum	2017/2018	Maximum	2017/2018	% of Total
Units	Dwelling	Special Tax	Assigned	Special	Special Tax	2017/2018
Per Acre	<u>Units</u>	Rate	Tax Rate	<u>Tax</u>	Levy	Levy
0.20	24	\$1,970.00	\$1,088.66	\$47,280.00	\$26,127.84	1.70%
0.40	2	1,926.18	1,079.64	3,852.36	2,159.28	0.14%
1.40	178	1,675.60	899.30	298,256.80	160,075.40	10.43%
2.70	62	1,650.17	930.86	102,310.54	57,713.32	3.76%
2.90	104	1,617.79	912.00	168,250.16	94,848.00	6.18%
3.60	114	1,617.06	915.22	184,344.84	104,335.08	6.80%
3.70	146	1,592.30	901.86	232,475.80	131,671.56	8.58%
3.80	76	1,565.10	885.82	118,947.60	67,322.32	4.39%
3.90	67	1,596.87	904.92	106,990.29	60,629.64	3.95%
4.30	103	1,525.04	865.10	157,079.12	89,105.30	5.80%
4.40	95	1,553.14	881.34	147,548.30	83,727.30	5.45%
4.70	36	1,495.07	847.84	53,822.52	30,522.24	1.99%
6.30	153	1,422.85	810.22	217,696.05	123,963.66	8.08%
6.40	104	1,438.77	818.80	149,632.08	85,155.20	5.55%
6.70	156	1,393.61	793.76	217,403.16	123,826.56	8.07%
7.80	335	1,350.06	770.74	452,270.10	258,197.90	16.80%
12.60	<u>63</u>	566.78	566.78	<u>35,707.14</u>	<u>35,707.14</u>	<u>2.33%</u>
Totals	1,818			\$2,693,866.86	\$1,535,087.74	100.00%

Table 3 <u>Summary of 2017/2018 Special Tax Levy By Land Use</u>

Community Facilities District No. 86-2 City of Corona

Land Development Status *	No. of Dwelling Units and Parcels	Percentage of Dwelling Units and Parcels	2017/2018 Special Tax	Percentage of Total 2017/2018 Special Tax	2017/2018 Maximum Tax	Percentage of Total 2017/2018 Maximum Tax
Improved Property	1,813	99.72%	\$1,530,105.34	99.68%	\$2,684,960.77	99.67%
Unimproved Property	<u>5</u>	0.28%	4,982.40	0.32%	8,906.09	0.33%
Totals	1,818	100.00%	\$1,535,087.74	100.00%	\$2,693,866.86	100.00%

^{* &}quot;Improved Property" consists of all parcels on the Assessor's Roll with an improvement value equal to or greater than land value. All other parcels are classified as Unimproved Property.

Table 6

Special Tax Delinquency History of CFD 86-2

				Amount	
		Amount		Remaining	
	Aggregate	Delinquent on	Fiscal Year	Delinquent	Delinquent
Fiscal	Special	6/30 of the	Delinquency	at	Rate at
Year	Tax Levy	Fiscal Year	Rate	6/30/2017	6/30/2017
2007/2008	1,777,947	166,068	9.34%	0	0.00%
2008/2009	1,852,337	128,064	6.91%	0	0.00%
2009/2010	1,743,275	69,380	3.98%	0	0.00%
2010/2011	1,691,154	44,246	2.62%	0	0.00%
2011/2012	1,723,964	29,057	1.69%	0	0.00%
2012/2013	1,719,951	14,023	0.82%	0	0.00%
2013/2014	1,710,871	19,372	1.13%	0	0.00%
2014/2015	1,623,902	10,740	0.66%	907	0.06%
2015/2016	1,516,061	9,848	0.65%	1,651	0.11%
2016/2017	1,538,419	11,162	0.73%	11,162	0.73%

Source: City of Corona

Table 8

Estimated Value-to-Lien Ratios for Taxable Parcels in the District Based on 2017/2018 Assessed Values and Refunding Bonds

Community Facilities Distirct No. 86-2 City of Corona

		Percentage of			Estimated
Land	2017/2018	Total 2017/2018	2017/2018	Estimated	Assessed
Development	Maximum	Maximum	Assessed	Direct	Value-
Status *	Special Tax	Special Tax	<u>Value</u>	<u>Debt</u>	-to-Lien
Improved Property	\$2,684,960.77	99.67%	\$629,064,130	\$2,975,312	211.43
Unimproved Property	<u>8,906.09</u>	0.33%	1,209,375	9,688	124.83
Totals	\$2,693,866.86	100.00%	\$630,273,505	\$2,985,000	211.15

^{* &}quot;Improved Property" consists of all parcels on the Assessor's Roll with an improvement value equal to or greater than land value. All other parcels are classified as Unimproved Property.

Table 9

Estimated Value-to-Lien Ratio Categories for Taxable Parcels in the District
Based on 2017/2018 Assessed Values and Refunding Bonds

Community Facilities District No. 86-2 City of Corona

	Number of	Percentage of	2017/2018 Special Tax	Percentage of 2017/2018Special
Estimated Value-to-Lien Ratio	<u>Parcels</u>	<u>Parcels</u>	<u>Levied</u>	<u>Tax Levy</u>
Less than 29.99	0	0.00%	\$0.00	0.00%
Between 30:1 and 39.99:1	0	0.00%	0.00	0.00%
Between 40:1 and 49.99:1	0	0.00%	0.00	0.00%
Between 50:1 and 59.99:1	1	0.06%	1,088.66	0.07%
Between 60:1 and 69.99:1	1	0.05%	865.10	0.06%
Between 70:1 and 79.99:1	0	0.00%	0.00	0.00%
Between 80:1 and 89.99:1	0	0.00%	0.00	0.00%
Between 90:1 and 99.99:1	0	0.00%	0.00	0.00%
Greater than 100:1	<u>1,816</u>	<u>99.89%</u>	<u>1,533,133.98</u>	<u>99.87%</u>
	1,818	100.00%	\$1,535,087.74	100.00%